



Fearnleys Weekly Report

Week 23 - June 7, 2023

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01 Tankers

VLCC

Rates have remained subdued for the past week, with deals fixed at or close to last done. Lots of rumors of Unipec "taking 10 ships" which is probably correct, but no break from the norm (many will be Chinese controlled tonnage). Bahri did have a swoop, taking 4-5 ships to the Red Sea, thinning the position list. But, for the week ahead, a lot depends on uncovered June MEG output. Many ships quietly picked up off market has left a depleted list, but also question marks on how much June oil still needs a home. If owners play it right, we could see them push a point or two. However, the list looks more balanced as we head into the final days of the month and with OPEC+ cuts expected to bite in July, upward pressure will be diminished.

The Atlantic VL market receiving limited support from the smaller sizes, but has certainly not been inert. USG/UKC business steady at the USD 4m level and West Africa also back alive and warming by a point or two to just below WS 50. With many



shows likely pointing towards the Cape. Positives still there to be found for owners.

Suezmax

Just when the global Suezmax market thought it could settle into a summer slumber, along comes the USG Aframax market with another reminder that the tail, still has the ability to wag the dog. During the last three weeks, the Atlantic basin has been on a slow, downward correction with TD20 finding itself in unfamiliar territory: WS 87.5. Hitherto, there had been a glaring lack of support from neighboring markets, but the USG has suddenly flipped in the last twenty-four hours with a flurry of transatlantic Suezmax enquiry that will lend support to the wider Atlantic, hence we are calling TD20 WS 80's with moderate, upside potential. The East has mainly piggybacked whatever sentiment the Atlantic market throws at it, albeit in a delayed manner, so on that basis MEG/China will probably floor at WS 100-105 on modern tonnage whilst TD23 will attempt to keep itself out of WS 50 territory.

Aframax

NORTH

The Aframax market in the North Sea had a somewhat quiet week and downward correction on rates was inevitable. At the time of writing, last done levels in the north sea is ws140. Unless we see ships ballast away from the area or activity picks up, we expect rates to move sideways for the next week as well.

MED

In the Med/BSea, week started slowly with Charterers pushing the rates lower for local runs but after that activity picked up and tonnage list started getting shorter as more vessels were fixed. The 2nd half of June is expected to be busier on the cargo side and with more vessels about to leave the area we might see rates under upward pressure. However, we need to see the other surrounding markets to improve as well before we see numbers improving significantly higher.

Rates

Dirty

(Spot WS 2023, Daily Change)



MEG/WEST

32

280'

2^

MEG/Japan

46

280'

1^

MEG/Singapore

47

280'

1^

WAF/FEAST

48.5

260'

3.5^

WAF/USAC

85

130'

-27.5v

Sidi Kerir/W Med

105

135'

-15v

N. Afr/Euromed

155

80'

-25v



140

00
-12.5▼

Caribs/USG

155

70'
-5▼

1 Year T/C (USD/Day, Weekly Change)

Click rate to view graph

VLCC

\$34,000

Modern
-\$500▼

Suezmax

\$37,000

Modern
-\$1,000▼

Aframax

\$43,000

Modern
\$0 >

VLCCs

Click rate to view graph

Fixed in all areas last week

90

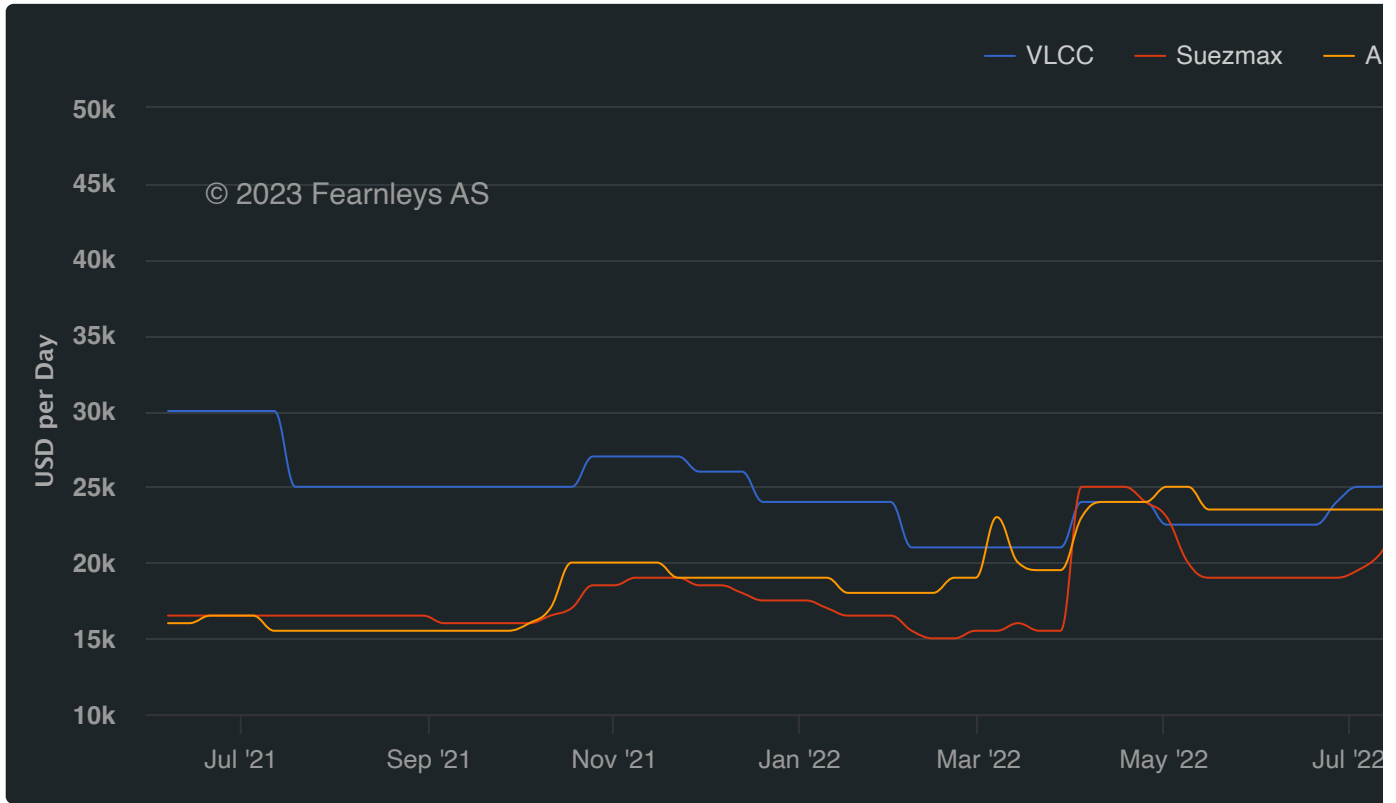
45^



144

-16▼

1 Year T/C Crude



02 Dry Bulk

Capesize

After a long period of softening rates, market turned towards the end of the week as FFA values were recovering and demand from the big miners were increasing. The c5 route is up USD 1 from last week, to present mid 8s whilst c3 is presently in the low



CS route.

Panamax

Green ink across the board for the Panamax indices with the market witnessing significant improvements seen for the first time in a while now. Owners hopes improved with fundamentals appearing more well balanced following last week's clear out of early tonnage, with good demand seen so far this week. A rising FFA market lent further support to sentiment which continued to improve throughout.

Supramax

Supra been under pressure as the bigger sizes. USG stems to Far East covered around 17k. TA around 10k. WAFR done around 12k.

Nopac round voyage been done around 7k. In general, rather weak sentiment.

Rates

Capesize
(USD/Day, USD/Tonne, Daily Change)

[Click rate to view graph](#)

TCE Cont/Far East

\$27,125

\$781

Australia/China

\$8.55


-\$0.19

Pacific RV

\$15,559

-\$611



 Click rate to view graph

Transatlantic RV

\$8,200

\$200 

TCE Cont/Far East

\$18,291

\$373 

TCE Far East/Cont

\$3,675

\$118 


TCE Far East RV

\$9,448

\$380 

Supramax

(USD/Day, USD/Tonne, Daily Change)

 Click rate to view graph

Atlantic RV

\$10,456

-\$328 

Pacific RV

\$6,738

-\$131 



ICE Cont/Far East

\$14,658**-\$205**▼**1 Year T/C**

(USD/Day, Weekly Change)

Click rate to view graph

Newcastlemax

208'

\$23,000**\$1,000**▲

Kamsarmax

82'

\$15,000**\$1,000**▲

Ultramax

64'

\$14,000**-\$1,500**▼

Capesize

180'

\$18,000**\$1,000**▲

Panamax

75'

\$14,000**\$1,000**▲

Supramax

58'

\$11,500**-\$1,000**▼

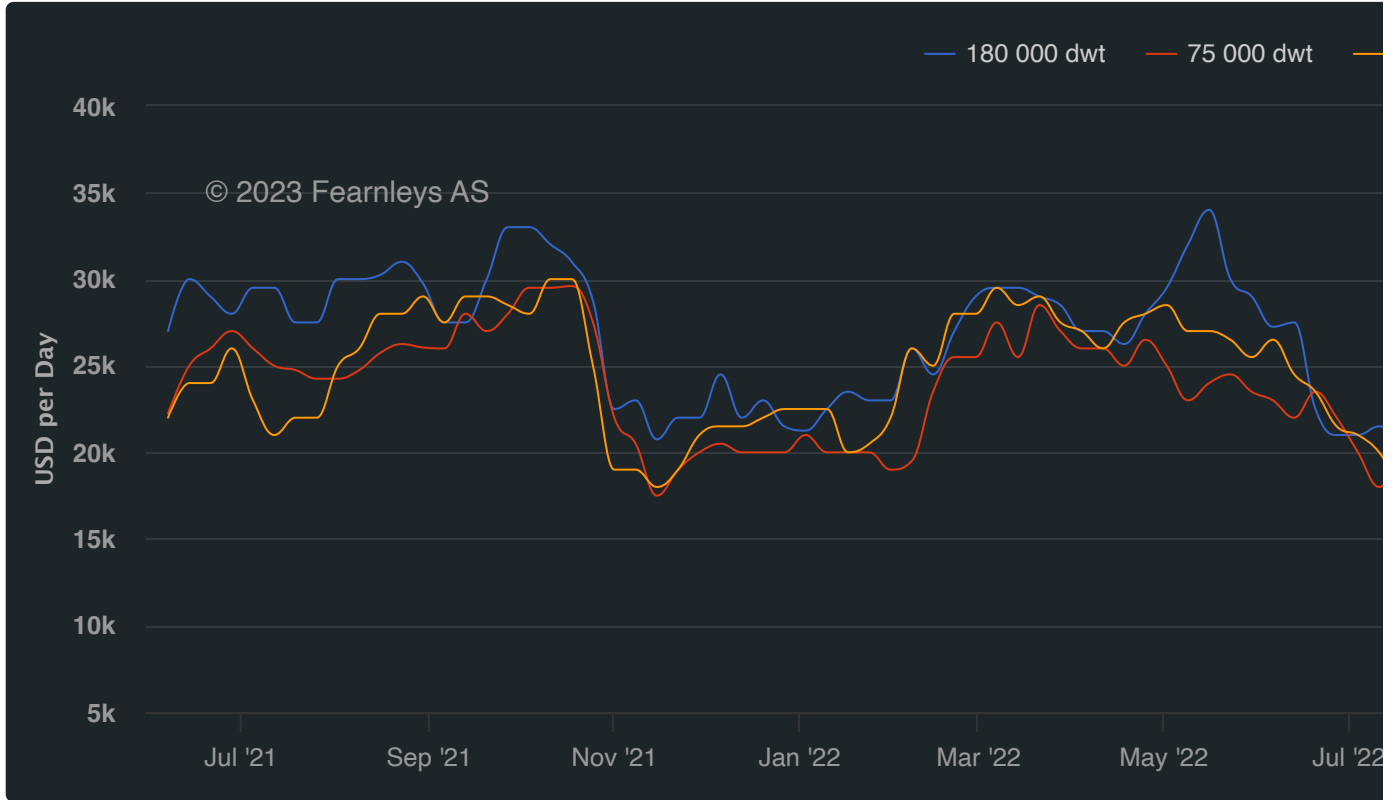


Baltic Dry Index (BDI)

\$1,020

\$4^

1 Year T/C Dry Bulk



03 Gas

Chartering

EAST

The puzzle is seemingly still unsolved in the back end of June in the MEG with some




not many cargoes available until early July, freight has slipped down a bit. So far, activity into July has been limited as we are waiting for more acceptances to come out.

WEST

We have seen one spot fixture in the West so far this week, in addition to a couple of potential fob cargoes from Algeria and WAF. The market is expecting a freight requirement from an Asian major in 2H July, but time of writing it's yet to firm up. We count a total of 16 spot fixtures out of the USG/USEC in July (13 1H and 3 2H) – for reference the last two months had 15 and 16 spot fixtures in the first half of the month. Looking at the current position list, the first open ship in USG is from 2nd July and there are potentially 3 more ships that can arrive within 1H July. Vessel supply for 2H July is looking relatively tight while the arb has narrowed lately.

LPG Rates

Spot Market (USD/Month, Weekly Change)

 [Click rate to view graph](#)

VLGC	84'
\$3,100,000	\$0 >

LGC	60'
\$1,500,000	\$0 >

MGC	38'
\$1,250,000	\$0 >

HDY SR	20-22'
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HDY ETH

17-22'

\$910,000**\$0 >**

ETH

8-12'

\$550,000**-\$10,000 v**

SR

6.5'

\$490,000**\$0 >**

COASTER Asia

\$280,000**\$0 >**

COASTER Europe

\$400,000**-\$10,000 v**

LPG/FOB Prices (Propane)

(USD/Tonne, Weekly Change)

[Click rate to view graph](#)

FOB North Sea/Ansi

\$401**-\$63.5 v**



\$450

-\$105

MT Belvieu (US Gulf)

\$312.5

\$4

Sonatrach/Bethioua

\$405

-\$80

LPG/FOB Prices (Butane)
(USD/Tonne, Weekly Change)

[Click rate to view graph](#)

FOB North Sea/Ansi

\$401

-\$69

Saudi Arabia/CP

\$440

-\$115

MT Belvieu (US Gulf)

\$198

-\$21.5

Sonatrach/Bethioua

\$405

-\$85



Spot Market (USD/Day, Weekly Change)

[Click rate to view graph](#)

East of Suez 155-165k CBM

\$48,000

\$10,000 ^

West of Suez 155-165k CBM

\$50,000

\$20,000 ^

1 Year T/C 155-165k TFDE

\$120,000

\$0 >

04 Newbuilding

Activity Levels

Tank Activity

Slow



Slow

Other Activity

Moderate

Prices

VLCC	300'
\$121	\$0 >

Suezmax	150'
\$81	\$0 >

Aframax	110'
\$63.5	\$0 >

Product	50'
\$43.5	\$0 >

Newcastlemax	210'
\$66	\$0 >



\$37.5	\$0 >
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Ultramax	64'
\$35.5	\$0 >

LNGC (MEGI) (cbm)	170'
\$240	\$0 >

05

Sale & Purchase

Prices

Dry	5 yr old	10 yr old
Capesize	\$49.0	\$34.0
Kamsarmax	\$31.0	\$25.0
Ultramax	\$32.0	\$25.0

Wet	5 yr old	10 yr old
VLCC	\$100.0	\$77.0



Suezmax	\$67.0	\$52.0
Aframax / LR2	\$62.5	\$50.0

06

Market Brief

Exchange Rates

USD/JPY

139.54

-0.6▼

USD/NOK

11.12

0.06▲

USD/KRW

1,304

1.6▲

EUR/USD

1.07

0>



LIBOR USD (6 month)

5.2%

0 >

NIBOR NOK (6 month)

3.12%

0 >

Commodity Prices

Brent Spot

\$76.5

\$0 >

Bunker Prices

Singapore

380 CST

\$435

-\$17

MGO

\$695

-\$21

Spread MGO/380 CST



Rotterdam

380 CST

\$448.5

-\$11.5 ▼

MGO

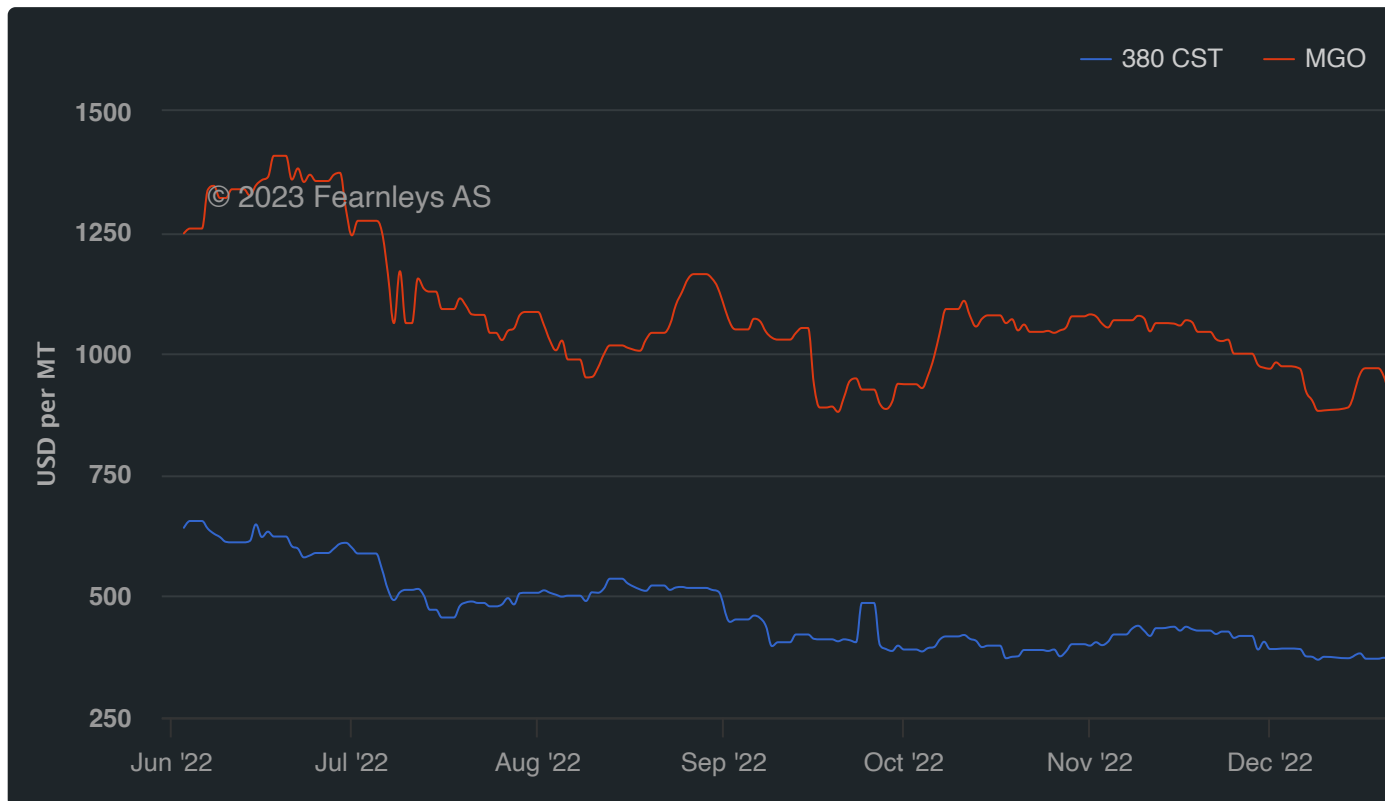
\$684

-\$8 ▼

Spread MGO/380 CST

\$235.5

\$3.5 ▲





certain vessel types are based on theoretical assumptions of premium or discount for particular vessel versus other vessel types.

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